

Since its launch in 1999, the Cities Alliance has worked with over 160 cities worldwide, committing US\$60 million in grants which are in turn linked to over US\$6 billion in investments. The following sections illustrate Alliance activities in each region from the perspective of the cities themselves.

AFRICA

This year has witnessed a significant increase in international attention paid to Africa, as a result of which some countries' debt burden has been reduced, and the continent as a whole has been promised increased aid. Nevertheless, when looked at as a whole, many of Africa's key development indicators underscore the size and extent of the continent's developmental deficits: the world's lowest life expectancy, lowest gross national income per capita, highest mortality rate among children under five, highest prevalence of HIV/AIDS and the lowest access to improved water sources.⁵

However, the tendency to treat Africa as a homogenous entity obscures at least two key points: first, the increasing call within Africa for countries to "...commit themselves to create conducive conditions for economic growth and sustainable development and to mobilise the African people to become the main agents of development,"⁶ and second, the genuine progress made by a number of African countries. For example, the gross domestic products (GDP) of 15 African countries, including Burkina Faso, Ethiopia and

... the informal sector creates an estimated 93 percent of all new jobs in Sub-Saharan Africa and accounts for 61 percent of all urban employment.⁶



Aerial view of Maputo, Mozambique

⁵ World Bank, *World Development Indicators Database*, Washington DC, 2005.

⁶ Speech by Wiseman L. Nkuhlu, Chair of the New Partnership for Africa's Development's Steering Committee, delivered at the Doing Business in Africa Conference, Cape Town, 25 September, 2004.

Uganda, have been growing, on average by more than five per cent per year over the past decade.

The main drivers of this economic growth have tended to be urban, including construction services and mining. Reflecting the gradual shift from agriculture to industry, exports of manufactured goods rose 8.7 per cent in 2003. In terms of job creation, however, the informal sector creates an estimated 93 per cent of all new jobs in Sub-Saharan Africa and accounts for 61 per cent of all urban employment.⁷

Nevertheless, the outlook for sustainable growth is questionable as long as a number of structural obstacles remain unresolved. Contrary to popular belief, 52 per cent of urban dwellers live in cities of less than 200,000 people in which the biggest infrastructure deficits coexist alongside weak local government capacity. Although only 15 per cent of urban Africans currently live in cities of more than a million, many of these cities also face significant deficits in their financial and local government capacity.

Throughout Africa, the weak tax and borrowing authority of most local governments hinders sustainable development but, as noted earlier, there is welcome evidence of real progress in a number of Sub-Saharan African countries. The May 2005 launch of United Cities and Local Governments of Africa (UCLGA) should facilitate the emergence of more empowered local governments in Africa, and UCLGA should also become a strategic interlocutor for the Cities Alliance and its members. The decision of Africa's biggest democracy, Nigeria, to lead the way in Africa and join the Cities Alliance also underscores Africa's commitment to the Alliance's goals. The Cities Alliance has made some progress in developing its portfolio in Africa, but is looking to a new group of potential partners, including Benin, Ghana, Mozambique and Senegal, to provide new initiatives in the coming year.

⁷ Christine Kessides, "The Urban Transition in Sub-Saharan Africa: Implications for Economic Growth and Poverty Reduction" Washington DC, World Bank Transport and Urban Development Department, 2005.



THE JOHANNESBURG—ADDIS ABABA PARTNERSHIP PROGRAMME

On 9 October 2003, the mayors of Addis Ababa and Johannesburg signed a memorandum of understanding, to form a "mutually beneficial Sister City Partnership aimed at fostering global understanding, solidarity, the New Partnership for Africa's Development good governance, economic, social and cultural linkages". Within the framework of this agreement, and with Cities Alliance support being provided through the World Bank and GTZ, the two mayors agreed specifically to "proactively engage, promote and support each other under a programme-driven partnership undertaking various forms of exchange and co-operation." The Johannesburg – Addis Ababa Partnership Programme (JAAPP) included promoting CDSs, enhancing performance management, developing executive management training, ensuring financial management, developing land and housing, preventing and treating HIV/AIDS and improving service delivery approaches.

A new city charter recently conferred the status of a federal city on Addis Ababa, along with many new competencies and tasks. The mayor and the new city government undertook a comprehensive reform programme over two years, decentralising both decision-making authority and public service delivery. The structure of the administration was reformed, and improved service delivery and good governance are now priorities.

For its part, Johannesburg has had to deal with the consequences of a history based on racial separation, of development constrained by ideology, and of the post-1994 process of restructuring of local government throughout South Africa. By the end of the 1990s, Johannesburg faced the challenges of dealing with a divided city, inefficient service delivery, poor staff morale, and a deep financial crisis.

Johannesburg's subsequent and dramatic transformation, during which the city was institutionally redesigned, new policies were implemented, new



West of Addis Ababa's Ketema market—Africa's largest open air market

entities were created to dramatically improve service delivery, and the financial crisis was averted, set a new standard for local government restructuring in South Africa. As such, Johannesburg was well placed to provide technical support and strategic guidance to other cities, especially ones facing similar challenges such as Addis Ababa.

Johannesburg's international relations policy gives priority to engaging with cities in Africa with which Johannesburg can share its social and economic development experiences. Following a visit by a delegation from the Addis Ababa city government to Johannesburg, the partnership agreement between the two cities was signed.

The partnership's work plan comprises eight programmes, implemented by various departments, utilities, agencies and corporative entities. The private sector is not currently involved, but as the partnership progresses, a range of players is likely to be invited to contribute to the programmes.



JAAPP Mayors' handshake

JAAPP WORK PLAN

- City Development Planning and Strategies
 - Strategic Planning and Management
 - Geographical Information System (GIS)
- Performance Management
 - Implement a Performance Management System (PMS)
- Service Delivery
 - City Service Monitor
 - Decentralisation of Service Delivery—Outsourcing
- Land and Housing
 - Land and Property Valuation and Billing
 - Land and Property Management
 - Urban Development Boundary
 - Private Sector Land Development
 - Settlement Upgrading
 - Transfer of City-owned Houses
 - Registration of Beneficiaries of Public Land and Housing
- Finance and Economic Development
 - Finance IT System
 - Public-Private Partnerships
- HIV/AIDS
 - HIV/AIDS in the Workplace Programmes
 - City-wide Community AIDS Programmes
 - AIDS-related Databases and Information
- Knowledge and Information Sharing
 - Information Recording and Dissemination
 - Knowledge Audit
 - Video Documentation
- Further Initiatives and Programme/Direction Management
- Exploration and Development of Further Initiatives

Communications present a significant challenge, and the results of recent elections in Ethiopia and forthcoming local government elections in South Africa risk slowing down implementation.

As resource limitations (time, funding, and skills) are a major constraint to development in Africa, embarking on projects that are practical and implementable in the short term may be a prudent approach.

City to city co-operation, especially in Africa, is an exciting and challenging endeavour. The partnership has to take into account cultural differences, resource limitations, and the continent's history of underdevelopment. This means that city residents might not discern any benefits from the partnership for quite some time.

While participation by councillors and officials in both cities has been good, how wider community participation can be planned and implemented has yet to be clarified.

The programmes' financial sustainability hinges on a number of variables, some of which the two cities can resolve, while others may require the intervention by and assistance from the federal government. In addition, the programmes' sustainability is contingent upon building up sound institutions in Ethiopia and Addis Ababa, and making citizens an integral part of the programme. A skills audit and gap analysis will be indispensable in providing indications about the likely sustainability of the programme.

Kubeshni Govender Jones, Johannesburg Innovation and Knowledge Exchange, and Gerhard Mai, GTZ, Addis Ababa.



Mozambique is one of the poorest countries in the world, ranked 171 out of 177 countries in the human development index in UNDP's 2004 *Human Development Report*. Seventy-eight per cent of the population fall below the poverty line, and life expectancy decreased from 41.1 years in 1970–75 to 38.1 years in 2000–05.

Following the end of a bitter post-independence civil war, by the end of the 1990s Mozambique had become one of the more notable economic performers in Africa, albeit starting from a low base. However, because of its geographical location, Mozambique has remained vulnerable to cyclical flooding. In 2000, the country suffered the worst floods in 50 years, with 300 deaths, 50,000 families displaced and widespread damage to property, as well as the destruction of roads, power supply and irrigation networks. Widespread and highly destructive floods occurred again the following year, with a concomitant toll on human lives, infrastructure, the environment and the economy.

To deal with the recurrent problem of flooding in slum areas on a more sustainable basis, the Ministry for the Coordination of Environmental Affairs (MICOA), supported by UN-HABITAT, obtained Cities Alliance funding for a “Slum upgrading and vulnerability reduction in flood-prone areas in Mozambique” project. Four towns and cities were involved in the application: Maputo, Chókwe, Quelimane and Tete.

Adopting a highly innovative approach, partly inspired by the experience of the Netherlands, but also constrained by the paucity of resources in Mozambique, the resultant strategy proposed:

- The adoption of a “living with floods” approach;
- The use of simple and appropriate technologies such as refuge points, and water and sanitation solutions;
- The use of the school system to educate people on environmental issues and flood prevention and mitigation.

Significantly, the strategy put the concept of “living with floods” in the context of a larger

national urban upgrading strategy, and underscored that:

- The implementation of flood mitigation measures within the framework of settlement upgrading enhances its chances of being effective and successful;
- An important two-way cause and effect relationship exists between the building of social capital and the initiation of improvements in a community;
- The participation of local government is crucial for the success of flood mitigation and urban upgrading;
- The backbone of community urban upgrading efforts is appropriate planning.

Notwithstanding its clear emphasis on local preparedness and actions, the strategy also addressed the national framework for disaster management and the recent creation of the inter-ministerial National Disaster Management Council, chaired by the Prime Minister.

As part of the strategy, two educational instruments were produced: a manual, “Learning to



Coping with floods in Maputo

Live with Floods”, and a card game. The training manual was designed like a comic book to make it attractive to youngsters, and accessible to less literate adults. It explains the nature of floods, describes their impact on the economy and the poor and recommends creative and palatable ways that communities and individuals can cope with their aftermath. The methodology and approach used owes much to the pioneering work with rural development, HIV/AIDS and early childhood development which several Mozambican organisations have engaged. Both the manual and the card game are to be promoted through the school system, which is widely seen as the most effective channel for communication and mobilisation.

Community participation during the planning stage allowed each of the four communities to select a set of priority civil works for immediate implementation, still within the scope of the activities financed by the Cities Alliance.

At the national level, the project co-financed together with the FAO the preparation of a new piece of national legislation, the draft Law for Territorial Planning under the supervision of MICOA. The draft law covers four topics:

- The basic legal definitions and fundamental principles;
- The system of territorial management, defining levels of territory, the nature of the tools used, and the definition of responsibilities;
- The definition of citizens’ rights and duties;
- The practices to be adopted for evaluation, monitoring and enforcement.

Finally, the project supported the preparation of a strategy to improve legal property rights, defining and classifying different types of markets and their respective demand characteristics,

describing market dynamics, discussing efficiency and equity in relation to market type, and defining land market values and their spatial and time variations. The strategy also attempts to define a model for sustainable urban growth.

Evaluation of the project proved to be instrumental in convincing both national and local authorities of the feasibility of adopting new thinking in response to the threat of floods and, most critically, in moving away from previous policies which were based on resettlement as the first response. Addressing urban upgrading in flood-prone areas was particularly important at this relatively early stage of Mozambique’s urbanisation, when the negative impacts of this inevitable and generally desirable process can be avoided.

Through this project, Mozambique’s municipal and national authorities have developed an initial set of operational principles on urban upgrading, adapted to flood-prone areas. Together, cities and communities have developed a set of instruments, land use and natural resource management plans, disaster and contingency plans, and a training manual that help raise awareness of the impact of floods, define communities’ infrastructure needs and work out ways of dealing with both. In the process, a number of communities have experimented with the notion of building social capital in urban areas, while city councils have raised their awareness of social issues. With the help of the strategy, the Law for Territorial Planning and the study of land markets, Mozambican national authorities have obtained new tools to help them plan their urban future.

Antonio Yachan, UN-HABITAT, Nairobi and Mathias Spaliviero, UN-HABITAT, Maputo.

BOBO-DIOULASSO: STRENGTHENING THE CITY AND ITS REGION

With a population of approximately 400,000, Bobo-Dioulasso is the second largest city in Burkina Faso. The city served as a magnet for the entire southwest of the country because of its location, economic dynamism and service delivery capacity. Bobo-Dioulasso's regional position has weakened over the last 40 years, however, with the loss of a number of political and administrative functions to the capital, Ouagadougou. Today, only 20 per cent of enterprises in the formal sector are located in Bobo-Dioulasso and its contribution to GDP declined from 27 per cent to 15 per cent, while Ouagadougou's increased from 37 to 57 per cent during the same period.

Governments at both the national and local levels have undertaken initiatives in an attempt to reverse this trend and rebuild capacity in Bobo-Dioulasso. In 1997, they launched a local economic recovery effort, supported by the Partenariat Pour le Développement Municipal (PDM) based in Cotonou, Benin, in the context of the ECOLOC. This programme was launched by the Organisation for Economic Co-operation and Development, the secretariat of the Club du Sahel and the PDM to provide local elected officials and other actors with information that would help them enhance their cities' competitiveness and quality of life.

The Bobo-Dioulasso CDS

The next step in 2003 was the launching of the CDS for Bobo-Dioulasso, with funding provided by the Cities Alliance. In an effort to derive maximum benefit from international partners, Bobo-Dioulasso sought the assistance of several agencies: AfD, the EU, the Swiss Development Co-operation, CIDA, KfW and GTZ. In addition, an exchange was organised with UNEP and the United Nations Capital Development Fund (UNCDF).

This activity faced significant challenges, especially from a financial standpoint because of scant resources and difficulty in mobilising local

resources. Throughout the activity, trade-offs had to be made, particularly with respect to the Priority Investment Programme.

Main Lessons Learned

During the first phase of CDS preparation, the coupling of the ECOLOC process and the CDS activity facilitated the preparation of a precise and reliable assessment of the city and its hinterland. The identification of existing potential, constraints and economic and social actors led to the establishment of a database for making accurate planning projections. The salient points gleaned from the information gathered are as follows:

- The economic base of the city is almost evenly divided between formal activities and informal activities;
- The formal sector of the local economy benefits greatly from the rest of the world;
- The city's tax potential is underutilised, as taxes and fees account for a mere 0.6 per cent of local GDP;
- The development of the city and the hinterland are inextricably linked, as the revenues generated by farmers in the hinterland from the sale of food products in the city is almost equal to the revenue derived from cotton.



Mayor Celestin B. Koussoube, seated left with local officials and visiting Cities Alliance team members



Main market in Bobo-Dioulasso

During the dialogue and consultation phase, in which all stakeholders in Bobo-Dioulasso and its hinterland were urged to participate, and with the assistance of government agencies, the initiative succeeded in encouraging a process of active and collective brainstorming by different groups in society. The brainstorming sessions provided an opportunity for all residents to present their vision of the city in the next 20 to 25 years, and the collective vision was incorporated into the framework for the economic development of the city and the surrounding region. In the process, the awareness of the municipal council was enhanced, as was its role as a dynamic leader in local development. The commitment of the various partners—namely the commune, economic actors, state and development partners—was through the adoption of a charter, and a local economic development plan was prepared.

Outlook

The main challenge lies in the practical application of the results of the initiative. This entails taking the necessary steps to ensure that the momentum associated with the initiative is maintained and that follow-up action is taken with respect to the commitments made. To that end, an entity was established to oversee and monitor the implementation of the results. This involves lobbying the national authorities to obtain the necessary infrastructure and guarantees of a favourable institutional and legal environment. The entity will also support economic activity by liaising between economic actors, and financing entities, support entities and government authorities.

Celestin B. Koussoube, Mayor of Bobo-Dioulasso, representing the Municipal Council, and the President of the ECOLOC Committee, representing city and regional stakeholders.



MBABANE'S UPGRADING AND FINANCING PLAN

Some 64 per cent of the residents of the Swazi capital, Mbabane, live in unplanned, informal settlements within the city's boundary, typically in makeshift structures made predominantly from sticks and mud. These areas are characterised by high population densities, averaging between 40 and 50 people per hectare, compared with the low average population density of slightly more than seven people per hectare across the city proper.

Mbabane's official population of some 67,000 is growing at the rapid rate of about five per cent per year, fuelled largely by migration from rural areas. However, because of the city's hilly topography, as well as the location's impermeable hard rock and shallow soils, some 40 per cent of the city's land is not developable. Informal settlements are therefore found on the urban fringes, nestled in hilly and mountainous areas where development is both difficult and expensive.

In the early 1990s, the government of Swaziland worked with the World Bank on the Swaziland Urban Development Project to install infrastructure in the two main urban areas of Mbabane and Manzini. An integral part of the project was the upgrading of selected informal settlements, which involved improving environmental health standards and providing housing and infrastructure solutions to low-income urban households. In Mbabane, two of the largest settlements were upgraded with 2,600 plots that were serviced on a full cost recovery basis as a precursor to scaling up the upgrading to other informal settlements in the city on a revolving fund basis. However, slow payments by the project's beneficiaries rendered this approach unsustainable and, as a result, 10 informal settlements remained in need of upgrading.

The Municipal Council approached both the World Bank and the government of Swaziland for support to upgrade the remaining settlements to alleviate the serious social and environmental problems these areas were facing. Since the start of the Swaziland Urban Development Project, the

council had put a building ban in effect in an attempt to curb the spread of informal structures in the city, meaning that people in informal settlements could not legally extend their structures or build new ones. The council sought financial assistance to develop layout designs that would allow it to selectively lift the building ban for people wanting to build houses approved by the council. After familiarising itself with the operations of the Cities Alliance, the council was convinced that the Cities Alliance's vision of cities without slums coincided with the council's goal of upgrading all its slums. Indeed, Mbabane has now committed itself to becoming a city without slums by 2015 to achieve MDG Target 11.

This translates into a vision whereby the city will work towards having all its citizens living in a healthy environment with access to safe drinking water, sanitary facilities, roads and acceptable housing. The city is developing the Mbabane Upgrading and Financing Plan (MUFP) as a central step in this challenging endeavour to both quantify the physical and financial magnitude of the task, and offer a realistic set of implementable options to ensure that the objectives are met.

In preparing the Cities Alliance proposal, the council undertook intensive work to assess the infrastructure needs, the socioeconomic situation and the issues pertaining to HIV/AIDS in the informal settlements. This was then coupled with an institutional assessment of the experience and capability of the municipality and other institutions to manage upgrading projects. This preliminary assessment strengthened the council's resolve to proceed with the project, and provided the impetus for producing a high-quality proposal with a clear plan of action designed to achieve the stated objectives.

The Mbabane Strategic Plan

The Mbabane Upgrading and Financing Plan fits in perfectly with the council's strategic plan, whose priorities include upgrading informal settlements within the boundaries of Mbabane while simultaneously improving the city's revenue base and addressing the HIV/AIDS problem. As a result,

work on the MUFP has been mainstreamed into the city's core business, thereby benefitting from an existing and proven coordinating structure.

The MUFP prioritises the upgrading of all the remaining informal settlements within the city's boundaries, namely: Malagwane, Fonteyn, Mangwaneni, Nkwalini Zone 3, Manzana Zone 1, Mahwalal Zone 6c, Makhokholo, Mvakwelitje and Sidwashini.

Following the September 2004 approval of a US\$500,000 grant by the Cities Alliance, work began with the procurement of expertise to complement the city's project team. During the project launch, Mayor Zebulon Bhembé urged all stakeholders to participate in the plan's activities, as the project's success hinges on a highly participatory approach.

The council will use the MUFP to work with communities to find lasting solutions to key poverty issues. Because unemployment is a serious problem in Swaziland in general, and in Mbabane in particular, the proposed project will support the

development of entrepreneurial skills, provide employment in conjunction with both project implementation and management and facilitate the provision of support for small and medium enterprises.

The plan will also play a pivotal role in attaining Cities Alliance objectives and the MDGs, including ensuring environmental sustainability; eradicating extreme poverty and hunger; reducing childhood mortality; and combatting HIV/AIDS, malaria and other diseases, by:

- Increasing access by the urban poor to services, including water and sanitation services, to improve their quality of life and reduce the time spent collecting water;
- Mainstreaming HIV/AIDS programmes, including voluntary counselling and testing, awareness and education, into the integrated development plan;
- Ensuring environmental sustainability by complying with legislation relating to land, water, human settlements and urbanisation;
- Scaling up urban upgrading in Mbabane from pilot projects to city level;
- Stabilising communities and encouraging the development of an urban land market by improving security of tenure;
- Strengthening participatory government through the involvement of citizens and civil society organisations in planning and delivery activities;
- Providing opportunities for local economic development through housing production, public works and environmental improvements.

With this project, the council's goal of making Mbabane the first city in southern Africa without slums by 2015 could become a reality.

Benedict Gamedze, Professional Assistant to the Chief Executive Officer, Mbabane City Council, Mbabane.



Mbabane hillside slum settlements

MARADI'S CDS: CREATING A VISION FOR ECONOMIC GROWTH, URBAN MANAGEMENT, AND POVERTY REDUCTION

A warlord, Dan Kassaoua, founded the city of Maradi, Niger, in the early 19th century. Its strategic location created tensions between the French colonial powers in Niger and the British in Nigeria. Following World War II, economic development based on peanuts, trade in imported goods and related activities transformed Maradi into a regional and international economic hub.

Maradi's relative prosperity between 1974 and 1980 attracted new urban migrants, although the process was poorly managed. During the 1980s and 1990s, there was a confluence of adverse domestic and international events, including prolonged droughts with disastrous economic and social consequences and international economic crises. These events had a severe impact in this

landlocked Saharan country and tested the very survival of Maradi. At the same time, the rural exodus intensified and accelerated the city's anarchistic expansion. As a result, the problems facing the city increased rapidly and became more complex. These problems were exacerbated by the limited resources of the urban community, which could not support the efficient functioning of essential services and the maintenance of infrastructure, especially that affecting trade, roads and sanitation, and services and infrastructure became obsolete and inadequate because of a lack of regular maintenance and of the resources needed for repairs.

As a result of the slowdown in economic activity, two-thirds of the population became impoverished, slipping below the poverty threshold. Maradi's population is currently estimated at 300,000, with 62 per cent of households falling under the poverty line.

The analysis of the urban economy helped identify Maradi's role in local and regional development and explored the relationship between rural and urban activities and the city's international role.



New market stalls, Maradi



Community Council President, Idi Male, Maradi

To address the various issues, the city embarked on a CDS process in 2004 with the assistance of the World Bank and AfD. The first phase focused on urban poverty and local economic trends and the ongoing second phase has led to the design of a CDS, with the participation of the first-ever elected mayor after February 2005.

The CDS activity collected scarce local data on urban poverty; provided information at the neighbourhood level; and allowed the identification of pockets of poverty within the city, detailing residents' limited access to services and their housing problems and lack of income. Thus the first phase of the CDS provides a city poverty profile detailing who the poor are and identifying where they live.

The analysis of the urban economy helped identify Maradi's role in local and regional development and explored the relationship between rural and urban activities and the city's international role. Maradi has extended its regional and interna-

tional areas of influence from nearby rural areas and the cities of Tibiri and Aguié to the more distant cities of Agadez, Diffa and Niamey, and is also exporting to Libya and Nigeria. The analysis also documented the predominant role of the informal sector, estimating that it accounts for about 80 per cent of the local economy and contributes the equivalent of about 25 per cent of the municipal budget in local taxes.

The first phase of the CDS process helped the city identify bottlenecks that need to be addressed to support economic growth and local development. The second phase led to the design of a 15-year CDS based on lessons learned from previous urban projects in Niger and the results of the first phase of the CDS. Through workshops with local stakeholders and partners, and with the strong involvement of the new mayor, the city established urban development priorities, prepared documents for dissemination of the strategy and engaged in discussions with local and international partners.

The implementation of this strategy, based on a participatory approach that is supported by the beneficiaries, will accentuate the effects of poverty besetting the majority of the city's population and will place the city on a growth-oriented path through the many development activities that will be undertaken.

His Excellency, Idi Malé, President of the Urban Community Council of Maradi, and Hanmidou Aboubacar, National Co-ordinator of the Urban Infrastructure Rehabilitation Project, Niger.